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8 UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE
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10 In re:

11 NORTHWEST TERRITORIAL MINT, LLC,
12 Debtor.
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Case No. 16-11767-CMA

DECLARATION OF PAUL WAGNER
IN SUPPORT OF TRUSTEE'S
MOTION FOR ORDER
AUTHORIZING THE AUCTION AND
SALE OF THE DEBTOR'S
EQUIPMENT, DIES, TOOLING,
ARCHIVES, AND INVENTORY FREE
AND CLEAR OF ALL LIENS,
CLAIMS, INTERESTS, AND
ENCUMBRANCES

17 I, Paul Wagner, hereby declare:
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19 1. I am the Chief Information Officer of Northwest Territorial Mint, LLC ("NWTM" or
20 "Debtor"). I submit this declaration in support of the Trustee's Motion for Order Authorizing the
21 Auction and Sale of the Debtor's Equipment, Dies, Tooling, Archives, and Inventory Free and Clear
22 of All Liens, Claims, Interests, and Encumbrances (Dkt. No. 1350). I have been employed by the
23 Debtor for approximately five years. I am over the age of eighteen and I am competent in all ways to
24 testify. Unless otherwise stated herein, I make the following statements based upon my personal
25 knowledge.
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DECLARATION OF PAUL WAGNER IN
SUPPORT OF TRUSTEE'S MOTION FOR
AUTHORIZING AUCTION - 1

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2. The Debtor's business was primarily comprised of (a) the sale of precious metals, such as gold, silver and platinum; and (b) the minting of medallions, coins, and other awards under both the Northwest Territorial Mint and the Medallic Art Company name. The Debtor, including through the substantive consolidation of assets of Medallic Art Company owns and possesses thousands of dies used by the Debtor to produce custom-made products (the "Coining Die(s)").

3. The Coining Dies are part of the Debtor's tooling, which is property of the Debtor and not property of individual customers. While customers may have paid for the tooling to make the die, that did not confer ownership of the die on the customer. The customer may have retained the rights to use certain imagery, but the dies remain property of the company. Set forth below, is a true a correct copy of what the Debtor's custom minting website indicates with respect to Coining Dies. This website language was in place before the filing of the bankruptcy case and the appointment of the Trustee and has remained on the website to the current date.

Dies



Two hardened steel dies, each engraved with a unique design, are used to strike your custom medallion. These dies can either be rendered with two dimensional or three dimensional engraving, depending on the complexity of your design and the look you want for your finished coin. Corporate logos or slogans can often best be replicated using a two-dimensional die. Portraits, landscapes, and other highly detailed imagery typically require use of a three-dimensional die.



When the dies are ready, we turn our attention to the process of creating blanks. This usually starts with the melt.

We store each customer die domestically, protecting our customer's designs as well.

Would you like more information on the types of minted items available from Northwest Territorial Mint? Request a FREE information packet with detailed information about custom coins and other minted products.

NWTM is a permanent repository of all custom dies for its customers' future use for the lifetime of the company. NWTM retains copyright rights to all artwork it creates, and also retains possession and ownership of all dies it creates for its customers. All dies are stored at NWTM's facilities and are placed within our Die Library. However, NWTM will not use its customers' dies or artwork without express written permission of its customers or for future customer orders.

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AUTHORIZING AUCTION - 2

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4. While it is possible that there have been individual circumstances where dies were given to customers, the Debtor did not, to my knowledge, engaged in a practice of giving customers the dies used to strike their product. I don't recall any specific instance where the Debtor gave a customer the Coining Dies manufactured by the Debtor for use in fulfilling their order(s).

5. Company ownership of tooling and coining dies is the prevailing custom in the minting industry.

6. NWTM does not have a compiled die library that associates a die with a customer contact record. It would be nearly impossible to research and identify the customer that is related to each and every Coining Die in the possession of the Debtor.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

EXECUTED this 7th day of February, at Seattle, Washington.

By: /s/ Paul Wagner
Paul Wagner

DECLARATION OF PAUL WAGNER IN
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AUTHORIZING AUCTION - 3

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1 **CERTIFICATE OF SERVICE**

2 The undersigned declares as follows:

3 That she is a paralegal in the law firm of K&L Gates LLP, and on February 7, 2018, she
4 caused the foregoing document to be filed electronically through the CM/ECF system which caused
5 Registered Participants to be served by electronic means, as fully reflected on the Notice of
6 Electronic Filing.

7 I declare under penalty of perjury under the laws of the State of Washington and the United
8 States that the foregoing is true and correct.

9 Executed on the 7th day of February, 2018 at Seattle, Washington.

10 /s/ Denise A. Lentz
11 Denise A. Lentz
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DECLARATION OF PAUL WAGNER IN
SUPPORT OF TRUSTEE'S MOTION FOR
AUTHORIZING AUCTION - 4

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